



OFFICE OF THE INDEPENDENT INSPECTOR GENERAL

FY2018 Presentation of Proposed Budget

The mission of the OIIG is to detect and deter public corruption, fraud, waste, mismanagement, unlawful political discrimination and other forms of misconduct in the operation of Cook County government, including the offices of the separately elected officials and to propose remedial action in accordance with the OIIG enabling ordinance.

This office recognizes the difficult financial circumstances facing Cook County government. In accordance with the Chairman's request of October 13, 2017, the OIIG has submitted a plan for budget reductions by this office totaling 10% of the FY2018 Executive Budget Recommendation that already included reductions. In order to achieve the requested 10% goal, a further \$207,926 reduction would be necessary. Accordingly, the Office of the Independent Inspector General (OIIG) has identified the following reductions for your consideration:

1) Training (Account 501805)	\$13,000
2) Professional Services (Account 520830)	\$29,504
3) Elimination of Grade 24 Salary Increases	\$21,015
4) Elimination of an Investigator V Position	\$96,639
5) OIIG Furlough Days (16 Days)	\$93,456
6) Elimination of Turnover Adjustment	<u>(\$45,569)</u>
	\$208,045

The identified 10% of reductions have been difficult because the OIIG has always been very lean since the creation of the office in 2008. The training and professional services accounts have been eliminated with the exception of \$2,000 in order to continue recording subject interviews, although on a reduced level. We have also eliminated a long overdue salary increase for grade 24 staff that was intended to achieve parity with other similar positions.

Investigative staff is at the heart of the work of the office. With the support of this Board, the OIIG reached its height several years ago when we had 20 FTEs. For FY 2017, the OIIG met the budgetary ceiling requested of it by reducing expenditures by \$183,881 which included the elimination of two recently vacated positions (Administrative Assistant for the IG and Investigator IV). The proposed reductions for FY2018 include the elimination of an additional two senior investigator positions that became vacant last summer due to retirements. We believe that any further staff reductions beyond the 20% reduction in staff we have experienced since 2016 would

jeopardize the overall capacity of this office to meet its mission. Therefore, in order to achieve the remaining savings requested, we recommend furlough leave be imposed on all OIIG staff (16 employees) for 16 days. This would represent a reduction of \$5,841 per collective furlough day totaling \$93,456 in savings.

The decision to employ unpaid leave rather than further reducing OIIG staffing is preferable given our increased workload with the offices of the separately elected officials and our important role in *Shakman* matters. Moreover, consideration of furlough days in place of further staff reductions is also suggested when comparing the level of OIIG staff to other local Inspector General offices.

IG OFFICE	TOTAL IG BUDGET	NUMBER OF IG FTEs	NUMBER OF FTEs IN JURISDICTION	No. IG FTEs PER No. of FTEs in JURISDICTION
Exec IL	\$8,064,000 ¹	81 ²	70,000 (est.)	1:864
City of Chicago	\$8,890,897 ³	97 ⁴	32,812 ⁵	1:338
Cir. Ct. Clerk	\$815,894	10.6 ⁶	1,514 ⁷	1:143
County	\$1,871,224 ⁸	16 ⁹	20,755 ¹⁰	1:1293

Thus far in FY 2017, this office has received 390 complaints, a substantial increase from the 310 complaints received at the same time last year. The increase is attributed to the clarification of the scope of OIIG jurisdiction by the Supreme Court

¹ Office of Executive Inspector General, Illinois State Budget Fiscal Year 2018, p. 244.

² Office of Executive Inspector General, Illinois State Budget Fiscal Year 2018, pp. 243-4.

³ Regulatory: Office Inspector General, City of Chicago 2018 Budget Overview, Program and Budget Summaries by Department, p. 143. City IG's Ordinance also mandates that the City IG receive funding representing .14% of the total City budget.

⁴ Regulatory: Office Inspector General, City of Chicago 2018 Budget Overview, Program and Budget Summaries by Department, p. 143.

⁵ <https://data.cityofchicago.org/Administration-Finance/Number-of-Employees-by-Department-Based-on-Current/atdi-52tt>.

⁶ Cook County Executive Budget Recommendation, Fiscal Year 2018, Volume II, Department Line Item Budgets, page V-5, V-22.

⁷ Cook County 2017 3rd Quarterly Payroll Report, Clerk of Circuit Court, Circuit Court Automation Fund, Circuit Court Administrative Fund.

⁸ OIIG Plan for Budget Recommendations, October 20, 2017.

⁹ OIIG Plan for Budget Recommendations, October 20, 2017.

¹⁰ Cook County 2017 3rd Quarterly Payroll Report, excluding Chief Judge.

in *Blanchard v. Berrios*. During the past year, the OIIG released 56 summary reports that reflect 35 sustained findings along with 120 recommendations for remedial action, including those related to legislative enactment. During the same time period, the office has opened 172 case inquiries.

As in years past, this office continues to dedicate significant resources to *Shakman* activities related to Cook County, the Forest Preserve District, the Health and Hospitals System (HHS) and the Recorder of Deeds. The OIIG continues to receive and investigate Post-SRO claims for Cook County and the Recorder of Deeds as well as Political Contact Logs and conduct investigations related to unlawful political activity. In FY 2017, the OIIG has received 32 complaints related to unlawful political discrimination (“UPD”). The OIIG has concluded investigations and issued findings in three Post-SRO claims and processed 20 Political Contact Log filings and opened inquiries when appropriate. In anticipation of the sunset of the *Supplemental Relief Order for Cook County*, this office engages in monitoring of County and HHS hiring and disciplinary proceedings, in addition to other monitoring activities including those pertaining to 149 issued responses to proposed Employment Plan actions and more than 351 hiring sequences this year.

The work of the OIIG is also focused on generating savings through recommendations to increase efficiencies, eliminate waste and recoup losses due to corruption. For example, in FY 2017, the OIIG investigation leading to the conviction of a former project manager assigned to Homeland Security and Emergency Management also involved the entry of forfeiture and restitution orders totaling \$394,000. Similarly, following an OIIG investigation which uncovered the embezzlement of funds from a Hektoen Salary Reallocation Account by a hospital physician, the hospital was able to recover \$248,000 from the physician which represents the amount of diverted proceeds. Other OIIG cases have resulted in the identification of improper benefit payments to former Cook County employees totaling over \$100,000.

We have also completed program reviews to identify efficiencies in the area of grant management and HHS’ contract management oversight of its \$28,000,000 site management vendor. We have also completed an assessment exploring the reason why Cook County has experienced a reduced level of M/WBE participation in healthcare related contracts and identified possible solutions. Similarly, we completed

an audit of the level of compliance of sole source service contractors to unique provisions of the procurement code and offered possible solutions to remedy the 90% rate of non-compliance that was identified. These and other OIIG matters are all designed to support government operations by creating a positive fiscal impact.

Additionally, as you know, this office also dedicates investigative resources to issues involving employee misconduct and public corruption that also provide significant positive fiscal outcomes to county operations in addition to producing intangible benefits such as building the public trust in government and supporting employee morale.

Thank you for your consideration.

Patrick M. Blanchard
Independent Inspector General

Date: October 30, 2017